In the Claims

1.   **(Canceled)**

2.   **(Currently Amended)** The bidding system of ~~Claim 1~~ Claim 5, wherein the bids include a plurality of parameters for the product and the total cost calculating means determines the total cost of the product to the purchaser using a pre-determined total cost formula.

3.   **(Original)** The bidding system of Claim 2, wherein the total cost formula includes at least one pre-defined constant.

4.   **(Currently Amended)** The bidding system of ~~Claim 1~~ Claim 5, further comprising:

means for communicating a vendor bid having the best total cost for the product to the vendors without revealing the identification of the vendor with the best total cost to encourage competitive bidding by the other vendors.

5.   **(Currently Amended)** An electronic bidding system, ~~The bidding system of Claim 1, further~~ comprising:

means for enabling each of a plurality of vendors to submit electronic vendor bids on at least two parameters associated with a product, the electronic vendor bids submitted over an electronic communications network;

means for calculating a total cost of the product to a purchaser for each vendor in response to the vendors bids, the total cost taking into account the at least two parameters associated with the product;

means for enabling the purchaser to make at least one adjustment corresponding to at least one of the vendor bids which is used by the calculating means to determine the total cost of the product to the purchaser; and

means for outputting each of the vendors bids and the total cost of the product to the purchaser.

6.   **(Currently Amended)**   The bidding system of ~~Claim 1~~ Claim 5, further comprising:

means for enabling communication with the vendors during the bidding.

7.   **(Original)** The bidding system of Claim 6, wherein said communication means enables messages to be sent to the vendors to encourage further bidding by the vendors.

8.   **(Original)** The bidding system of Claim 7, wherein said communication means enables messages to be sent to the vendors regarding the status of the bidding, ending time for the bidding and extensions of the bidding.

9.   **(Currently Amended)**   The bidding system of ~~Claim 1~~ Claim 5, further comprising:

means for calculating an amount of savings for the purchaser and means for communicating the savings to the purchaser.

10.   **(Currently Amended)**   The bidding system of ~~Claim 1~~ Claim 5, further comprising:

means for setting up the bidding on the product.

11.   **(Canceled)**

12.   **(Currently Amended)** The electronic auction system of ~~Claim 11~~ Claim 15, wherein the at least two parameters are selected from a group consisting of price, discount, delivery, installation, training, maintenance, the risks covered by warranty, and length of warranty.

13.   **(Currently Amended)** The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to send data, comprising a vendor bid having the best total cost for the product, to the vendors during the auction without revealing the identification of the vendor with the best total cost.

14.   **(Currently Amended)** The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to send data to the vendors during the bidding to stimulate competitive bidding.

15.   **(Currently Amended)** An electronic auction system, comprising:
a computer readable storage medium;
software stored on the computer readable storage medium and operable, when executed, to:

    receive bids from a plurality of vendors, each bid comprising a plurality of parameters associated with at least one product;

    calculate the total cost of the at least one product to a purchaser for each vendor in response to the vendors' bids, the total cost taking into account the plurality of parameters associated with the at least one product;

    ~~The electronic auction system of Claim 11, wherein the software is further operable to~~ enable the purchaser to make at least one adjustment corresponding to at least one vendor bid which is used by the electronic ~~central~~ auction ~~management~~ system to calculate the total cost of the product to the purchaser; and

    output each of the vendors bids and the total cost of the product to the purchaser.

16.   **(Currently Amended)** The electronic auction system of ~~Claim 11~~ Claim 15, wherein the total cost calculated for each vendor uses a single formula for all vendors.

17.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the total cost calculated for each vendor uses a plurality of formulas, each vendor having one of the plurality of formulas associated with it.

18.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the plurality of parameters is further associated with a plurality of products.

19.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the auction results take into account vendors bids on a market basket of products.

20.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein bids from vendors are received through an Internet.

21.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to provide a vendor with data about the status of an auction while the auction is in progress.

22.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to provide a purchaser with data about the status of an auction while the auction is in progress.

23.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to control which vendors are allowed to participate in an auction.

24.   (Currently Amended) The electronic auction system of ~~Claim 11~~ Claim 15, wherein the software is further operable to allow a total cost formula to be defined for each product in an auction.

25.　**(Currently Amended)** A method of conducting an on-line auction, comprising:

receiving bids from a plurality of vendors, each bid comprising a plurality of parameters associated with at least one product;~~,~~

calculating, using a computer, the total cost of the at least one product to a purchaser for each vendor in response to the vendors' bids, the total cost taking into account the plurality of parameters associated with the at least one product;~~,~~

enabling the purchaser to make at least one adjustment corresponding to at least one vendor bid which is used by the computer to calculate the total cost of the product to the purchaser; and

outputting, using the computer, each of the vendors bids and the total cost of the product to the purchaser.

26.　**(Original)** The method of Claim 25, further comprising:

defining a plurality of parameters for a category of products; and

defining a total cost formula for the category of products in response to the plurality of parameters.

27.　**(Original)** The method of Claim 26, wherein the total cost formula includes at least one constant associated with at least one parameter.

28.　**(Original)** The method of Claim 25, wherein the plurality of parameters includes price and non-price parameters.

29.　**(Original)** The method of Claim 28, wherein the price parameters include at least one of a base price, volume discounts, rebates, life cycle discounts, utilization charges, maintenance charges and administration charges.

30.　**(Original)** The method of Claim 28, wherein the non-price parameters include at least one of delivery timing, national service coverage, minimum quality levels, employee skill levels, a dedicated account management team, special reporting requirements, online ordering, warranty and length of contract.

31.   **(Original)** The method of Claim 26, wherein defining a plurality of parameters comprises defining at least two sub-categories for the category of products, and defining at least two parameters for each subcategory.

32.   **(Original)** The method of Claim 25, further comprising:

communicating the best vendor's bid to the other vendors to encourage competitive bidding.